IOWA UTILITIES BOARD Energy Section

Docket No.: TF-2012-0637

EAC-2011-0025

Utility: Interstate Power and Light

Company

File Date: November 16, 2012 Memo Date: December 5, 2012

TO: The Board

FROM: Jim Kellenberg

SUBJECT: Request to Docket TF-2012-0637 and EAC-2011-0025 (Regional

Transmission Service Rider Second Year Compliance Filing and

Tariff)

I. Background

On November 16, 2012, Interstate Power and Light Company (IPL) filed with the Board its second year compliance filing and proposed 2013 tariff for its regional transmission service tariff (RTS). The compliance filing is identified as Docket No. EAC-2011-0025 and the proposed 2013 RTS tariff is identified as Docket No. TF-2012-0637. IPL's filing included: 1) the calculation of the 2013 RTS factors; 2) the reconciliation of the prior year (2012) transmission expenses and corresponding Rider revenues; 3) the estimated 2013 transmission expenses; and 4) the billing determinants. IPL made an Errata Filing on November 30, 2012, which contained substantial revisions from the November 16, 2012, filing and included a revised 2013 RTS tariff. IPL stated that the revision was necessary because an error was discovered in the estimation of 2013 MISO Schedule 9 transmission expenses.

On December 4, 2012, the Office of Consumer Advocate (Consumer Advocate) filed a Conditional Objection to Docket Nos. TF-2012-0637 and EAC-2011-0025. Consumer Advocate noted that IPL's Errata Filing of November 30, 2012, contained revised tariff sheets, schedules and workpapers to reflect a corrected calculation of the 2013 RTS factors. Consumer Advocate stated that it needs additional time to complete its review of the filing. Consumer Advocate proposed to make a filing in this matter on or before January 14, 2013, concerning the status of its review and if there are any outstanding issues.

State of Iowa

Department of Commerce

Utilities Division

Docket No.: TF-2012-0637 and EAC-2011-0025

December 5, 2012

Page 2

II. Legal Standards

The Regional Transmission Service Rider was approved by the Board's Final Decision and Order in Docket No. RPU-2010-0001, issued on January 10, 2011. The Rider was approved on a pilot basis. The Rider was designed to recover transmission costs billed by MISO and other transmission-related costs. In the Board's order of January 10, 2011, the Board noted that IPL said the factors in the proposed transmission clause would be revised annually. Also, IPL said that it would file annually in November of each year the factors that will become effective on January 1. The Rider has cost recovery factors applicable by customer class and became effective with customer billings on February 25, 2011. IPL has filed monthly reports detailing transmission costs and revenues that are passed through the Rider.

III. Analysis

IPL's Errata Filing of November 30, 2012, makes substantial revisions to its November 16, 2012, filing in the above-referenced dockets. Staff believes that Consumer Advocate needs additional time to complete its review. Staff agrees with Consumer Advocate's proposal to make a filing in this matter on or before January 14, 2013, concerning the status of its review and if there are any outstanding issues.

IV. Recommendation

Issue the attached order docketing TF-2012-0637 and EAC-2011-0025 and require Consumer Advocate to file a report on or before January 14, 2013, concerning the status of its review and if there are any outstanding issues.

jk